

# COMMITTEE ON GOVERNMENT REFORM

TOM DAVIS, CHAIRMAN



## NEWS RELEASE

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### Government Reform Committee Approves Landmark 9/11 Legislation

*Provisions Include Reorganization Authority for Intelligence  
Agencies, Improved Security Clearance Process, Stronger ID Standards*

WASHINGTON, D.C. – The House Government Reform Committee today marked up H.R. 10, the “9/11 Recommendations Implementation Act,” which addresses the problems and weaknesses identified by the bipartisan National Commission on Terrorist Attacks Upon the United States (the 9/11 Commission) by revamping the federal government’s intelligence network and improving national security.

Government Reform Committee Chairman Tom Davis (R-VA) is an original co-sponsor of H.R. 10, which was introduced by House Speaker Dennis Hastert (R-IL) on September 24, 2004.

The measure was approved by the Government Reform Committee by voice vote.

The legislation creates a new National Intelligence Director (with budget authority), a National Counterterrorism Center, and a Joint Intelligence Community Council, and makes other comprehensive reforms to the organization of the Intelligence Community. The bill is not only consistent with the findings and recommendations of the 9/11 Commission, but also reflects the recent oversight work of the Government Reform Committee and both houses of Congress.

“This bill will transform the federal Intelligence Community by replacing a Cold War-era organization with a modern, nimble and flat structure that will improve our intelligence-gathering and intelligence-sharing capabilities,” Davis said. “While the creation of a National Intelligence Director and a National Counterterrorism Center are the most highly publicized aspects of the Commission’s recommendations, the other provisions discussed today at the Government Reform markup are just as important in

protecting our national security. These provisions include a limited executive reorganization authority, a streamlined financial disclosure requirement for intelligence nominees, a better security clearance process, a revitalized FBI intelligence workforce, and new standards for state identification cards and birth certificates.”

“I am proud of this bill,” Davis said. “We have produced a comprehensive, deliberative piece of legislation that reforms outdated government structures, provides the federal government with additional tools to combat terrorism, and makes it easier to share information across agencies and offices.

“It is slightly more than three years since the terrible day that was September 11, 2001,” Davis added. “We grieve for the men and women who lost their lives, pray for their loved ones, and hope that our measures will prevent other families from experiencing the same pain and loss in the future.”

Among the provisions of the bill that fall within the jurisdiction of the Government Reform Committee:

- **Executive Reorganization Authority for intelligence agencies.** H.R. 10 would give the President the power to submit reorganization plans – limited to the intelligence community – to Congress for a guaranteed, up-or-down vote. It cannot be assumed this legislation is a panacea that will somehow be the last word on intelligence reform. The President should have the ability to make further tweaks to the organization without having to worry about his proposal getting watered down or just plain blocked in Congress.
- **A streamlined financial disclosure for those nominated to positions within the intelligence community.** The presidential appointments process is broken – it takes too long to confirm individuals to key positions, and the process itself often drives away some of the best qualified to serve. Financial disclosure requirements are supposed to protect against conflict of interest concerns. But they have become proxy statements for a nominee’s net worth, with more detail than necessary. This legislation returns to the original intent of financial disclosures.
- **An improved security clearance process.** The legislation would assign security clearance policy and standards guidance to the Office of the National Intelligence Director and require reciprocity among agencies. This would enable an individual with a top-secret clearance at, say, Treasury to retain that clearance should he or she move to another agency. Efforts at enforcing reciprocity have failed before, but it needs to be honored to put an end to the time – and money – wasting practice of agencies doing their own investigations and adjudications. This drives up the cost of doing business, and this cost is ultimately passed onto the taxpayers.

- **New federal standards for identification cards and birth certificates.** The nation needs to have confidence that when someone shows a state driver's license to board a plane, or shows a state birth certificate to get a passport, that the ID is valid. Law enforcement officials need to know that people are who they say they are. This legislation provides grant money to help states meet the new federal guidelines and give them three years to comply. It has the support of state Motor Vehicle Administrators and 9-11 victims' families.
- **A revitalized FBI workforce.** H.R. 10 provides for retention bonuses and critical pay authorities to help the FBI improve its intelligence directorate. It also allows for delays in mandatory retirements and the creation of a Reserve Service so the agency can re-activate retired employees with specialized skills. It ties the amount of an employee's retention bonus to the number of years the employee agrees to stay with the FBI and caps the employee's bonus to no more than 100% of base salary.
- **A requirement that agencies enhance their planning for information security needs.** This is accomplished through an amendment to the Clinger-Cohen Act reporting provisions, adding information security to the list of items agencies must consider in systems planning and acquisition.

During the markup, an amendment offered by Congressman Chris Van Hollen (D-MD) was offered and accepted. The Van Hollen Amendment requires the President to establish a trusted information network and secure information sharing environment to promote sharing of intelligence and homeland security information.

Several Minority amendments offered that would have weakened the bill were subsequently defeated.

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